

Exhibit No. 825  
Issues: Impact on Intervener's Property  
Witness: R. Kenneth Hutchinson  
Type of Exhibit: Rebuttal  
Sponsoring Party: R. Kenneth  
Hutchinson Case No.: EA-2016-0358  
Date Testimony Prepared: January, 2017

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EA-2016-00358

REBUTTAL TESTIMONY OF  
R. KENNETH HUTCHINSON

January, 24, 2017

~~Hutchinson~~ Exhibit No. 825  
Date 3-20-17 Reporter KB  
File No. EA-2016-0358

1 **Q. Please state your name.**

2 A. R. Kenneth Hutchinson

3 **Q. On whose behalf are you testifying?**

4 A. I am testifying on my own behalf.

5 **Q. What is the basic purpose of your testimony?**

6 A. To describe for the Commission the reasons I am opposed to the 200 mile  
7 high-voltage transmission line which Grain Belt is trying to build across northern  
8 Missouri.

9 **Q. Do you own property which would be crossed by Grain Belt's line?**

10 A. Yes, I do.

11 **Q. Please briefly describe the property you are referring to.**

12 A. I am the owner of a farm of approximately 232 acres, located in Chariton  
13 County, Missouri. It is approximately 3 ½ miles southeast of Salisbury, Missouri. Based  
14 on the route proposed by Grain Belt in its Application to the Commission, the line would  
15 pass directly over my farm.

16 **Q. For how long have you owned this farm?**

17 A. Our family purchased the farm in 1958. In accordance with the family trust, I  
18 became sole owner after my mother died in 2008

19 **Q. Please describe the nature of your farming operations.**

20 A. We (50%-50% share crop with Ralph Meissen) farm approximately 150 acres  
21 rotating between corn and soybeans. The remainder of the farm is used for a small cow-  
22 calf herd, which I own, of 23 cows. The calves are sold annually.

23 **Q. Are you also employed outside of your own farming operations?**

1           A. I am owner of Hutchinson Consulting LLC, which is a management  
2 consulting firm; also, I am retired from the University of Missouri.

3           **Q. Are you opposed to the high-voltage electric transmission line which**  
4 **Grain Belt Express is proposing to build across northern Missouri, and across your**  
5 **farm in particular.**

6           A. Yes I am, for a number of reasons which I address specifically in the  
7 remainder of my testimony. More generally, I fail to understand why and how we are at  
8 this point in deliberations. How private venture capitalists can use the precious apparatus  
9 of the state (Eminent Domain) is troubling. The basic definition of eminent domain is  
10 “the right of a government or its agent to expropriate private property for public use.”  
11 The most valuable asset the Grain Belt Express will have, should you grant its request,  
12 will be the easements through the landowner’s property. Do these venture capitalists  
13 hope to purchase the easements for agriculture value and then within a few months or  
14 years FLIP the asset to another, only selling the asset based on BUSINESS VALUE  
15 instead of AGRICULTURE VALUE? How many times the agriculture value of these  
16 easements do the venture capitalists hope to achieve, perhaps 50 to 100 times the  
17 agriculture value? If the Commission supports the venture capitalists, your decision will  
18 mean that they have been successful establishing what to me would be a terrible  
19 precedent for the State of Missouri. The venture capitalists are trying to convince you  
20 that there is a greater public good at stake. It seems to me they go around to different  
21 public entities attempting to create need----and then try to convince the Commission that  
22 a greater good has been identified.

23           The concept of venture capitalists utilizing Missouri eminent domain seems far-

1 fetched. It seems like regular Missourians would quickly reject such a self-serving  
2 arrangement. I would ask, beg if necessary, for the Commission to do what's right for  
3 Missourians, and NOT WHAT IS DESIRED (1) by the Houston-based Zilkha family and  
4 related ZBI (a wholly-owned subsidiary of Ziff Brothers Investments, the private  
5 investment firm of the New York-based Ziff family and (2) by the UK based National  
6 Grid and its subsidiary Grid America and (3) by the Dallas, Texas private investment  
7 firm Bluescape Energy Partners. Think Missouri citizens; not, out-of-state venture  
8 capitalists trying to get rich, to the detriment of Missouri land owners.

9       What happens if the profit margins are not acceptable to those who own the line,  
10 either GBE or its successor company. Will they ABANDON the line, leaving an eyesore  
11 at best and at worst, again disturbing valuable farm land should they try to exercise their  
12 easement rights and reclaim the line? This isn't Jefferson City, Missouri using land  
13 obtained through eminent domain to build a needed sewer plant. It is a group of venture  
14 capitalists hoping to turn a big profit.

15       Grain Belt has not made available a business pro forma for the general public to  
16 review. It is my understanding that if I were to sign a confidentiality statement, some of  
17 the financial aspects might be made available. I choose not to sign such a statement  
18 because I feel the public has a right to know. The public has a right to know the  
19 projected financial investments broken down by major component, such as (1) easements,  
20 (2) line investment, (3) available reserves of GBE in case the property is abandoned, (4)  
21 available reserves to complete the project, (5) ongoing general operating costs and (6)  
22 projected return on investment for 3-5-10 years out. GBE would likely share such  
23 information with private investors wishing to invest millions of dollars. GBE is asking

1 the State of Missouri (through eminent domain) to invest millions of dollars through its  
2 most precious capital asset, farmland. In addition, are the GBE electrical rates  
3 contracted? Who determines the initial sale price of electricity? The public has a right to  
4 know. Who determines increases? In other words, in terms of open records, GBE should  
5 be treated like any municipality or public utility requesting eminent domain.

6 I would like to conclude my opening statement with a quote from John Dickinson,  
7 one of America's Founding Fathers who was known as the "Penman of the Revolution:  
8 "Let these truths be indelibly impressed on our minds: (1) that we cannot be happy  
9 without being free; (2) that we cannot be free without being secure in our property; (3)  
10 that we cannot be secure in our property if without our consent others may as by right  
11 take it away."

12 Below are a few answers to relevant questions:

13 **Q. If the line is built as proposed by Grain Belt, what length of the line**  
14 **would cross your property?**

15 A. Approximately one-half mile.

16 **Q. Would the proposed line include any support structures on your**  
17 **property?**

18 A. I understand that is not fully determined at this time.

19 **Q. If the line is built as proposed by Grain Belt, would it affect your farming**  
20 **operations in any way?**

21 A. Yes, it would.

22 Specifically:

23 (1) The development of precision agriculture or what is sometimes called site-specific

1 farming has been made possible through the utilization of Global Positioning  
2 System (GPS). Will this direct current line impact GPS farming? I know studies  
3 sponsored by the power companies state this will not happen; but, according to  
4 my farm manager who utilizes GPS around the Thomas Hill electric plant, it  
5 definitely occurs.

6 (2) Will the potential use of aerial application of chemicals be diminished?

7 (3) Running machinery under this line could be hazardous. I've been told the line is  
8 to clear the soil by 32 to 35 feet at its lowest point to keep, I assume, from arcing  
9 to the ground. As tall as machinery is becoming, the clearance between the line  
10 and machinery will be reduced to 19 to 25 feet in places, and perhaps lower in  
11 some cases. According to an Iowa State University publication titled "Safe Farm-  
12 Electrocutation Hazards On The Farm" utilizing the National Ag Safety Database,  
13 moving portable augers from one bin to the next storage bin has resulted in  
14 electrocutions each year of farm workers. According to the publication and I  
15 quote, "This scenario is repeated on dozens of farms throughout the United States  
16 each year. Electrocutation is quick and deadly, killing an estimated 35 agricultural  
17 workers every year." The combine we use for harvesting is 13 ft. tall, leaving the  
18 grounding clearance at 19 ft. instead of 32 feet. Some machinery is even taller, i.e.  
19 augers.

20 (4) In general, it would be a mess, with difficulty maneuvering around the poles;  
21 additional erosion during construction of the line; mixing of top soil and unfertile  
22 subsoil; impact on crop maintenance, and the reduction in acreage due to  
23 construction, maintenance and physical impediments. Where pipelines have

1           crossed my property, I can still see discoloration of crops after 60 years.

2           **Q. In your opinion, would the line create any health hazards for you and**  
3 **your family?**

4           A. Yes, it would. There is always the possibility of the line coming in contact  
5 with the ground in the event one or more of the supporting structures fails.

6           In addition, and I do not claim to be an expert on the impact of EFM's on the  
7 health of humans and livestock, I do not believe it can be demonstrated with certainty that  
8 a link between EMF's and health problems will not be discovered at some point in the  
9 future. We assumed in the past that cigarettes, asbestos, thalidomide and nuclear plants  
10 in Japan were safe for humans, but of course that proved not to be the case. Regardless of  
11 what the science says at this point, I am very much concerned about the long-term impact  
12 of EMF's from the proposed line, as are others in the area. So even if this fear has no  
13 basis in fact, it certainly produces a negative impact on those who are not convinced that  
14 the line will be harmless, and therefore negatively impacts property values.

15           **Q. Do you believe that the line will have a negative impact on property**  
16 **values on and near the proposed right-of-way?**

17           A. Yes, I do. The value of real estate, like most other commodities, is  
18 determined by supply and demand. If a significant number of people do not want to live  
19 under or near a high-voltage electric line with towers 150-200 feet in height, then the line  
20 will certainly have a negative impact on property values. Plus, the line negatively alters  
21 the vistas normally associated with my farm. I ask the Commission, would you want this  
22 line going over your house? I'm sure these venture capitalists wouldn't want such a line  
23 close to their houses. Would it reduce the value of my farm? I believe we know the

1 answer to both questions.

2 **Q. Will the line as proposed have an impact on the view from your**  
3 **property?**

4 A. Yes, it will. It's hard not to see this kind of blot on the landscape.

5 **Q. Will the line also have an impact on your ability to build a home or other**  
6 **buildings at certain locations on your property?**

7 A. Yes, it will. Our land is on a fairly high point, with wonderful vistas to the  
8 north, south, east and west. Prior to Grain Belt Express, my son and I discussed building  
9 a cabin/home on the property. It is ideally located with prime building sites. Who would  
10 want to build with this high voltage direct line close. It is also my understanding there is  
11 an audible noise associated with the line.

12 **Q. Do you understand that Grain Belt would reimburse you for some of the**  
13 **problems you have referred to in your testimony?**

14 A. I understand that Grain Belt is trying to purchase the easements at an absurdly  
15 low price. I also understand that by law Grain Belt is required to pay "fair market value"  
16 for the property they take. However, I believe that simply paying fair market value for  
17 farm land does not take into account a number of important factors: (1) the negative  
18 impact the line will have on demand for the property as-a-whole, (2) the business value of  
19 the easements to Grain Belt, and (3) the 50-60 year/perpetual cost of lost production and  
20 the impact it will have on property values. The concept of a private out-of-state  
21 "merchant" company owned by extraordinarily wealthy families being told they can take  
22 my property through eminent domain, regardless of my own objections to their doing so,  
23 is in my opinion immoral, anti-American, and blemishes the State of Missouri in a very



1 significant way. Basically, and as mentioned earlier, should the Commission support the  
2 request, it is stating, that MISSOURI EMINENT DOMAIN is available to private equity  
3 interests, which would set a terrible precedent for the State of Missouri. I have faith that  
4 you will not support this request. I pray that you do not support this request.

5 **Q. Does this complete your testimony?**

6 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Application of Grain Belt Express )  
Clean Line LLC for a Certificate of Convenience and )  
Necessity Authorizing it to Construct, Own, Operate, )  
Control, Manage, and Maintain a High Voltage, Direct ) Case No. EA-2016-0358  
Current Transmission Line and an Associated Converter )  
Station Providing an interconnection on the Maywood- )  
Montgomery 345 kV Transmission Line )

Affidavit of R. Kenneth Hutchinson

STATE OF MISSOURI )  
 ) SS  
COUNTY OF BOONE )

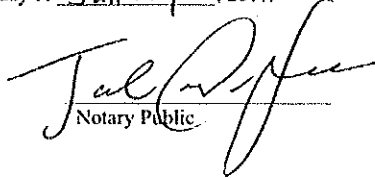
R. Kenneth Hutchinson, being first duly sworn on his oath states:

1. My name is R. Kenneth Hutchinson
2. Attached hereto and made a part hereof for all purposes is my testimony submitted to the Missouri Public Service Commission.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein asked are true and accurate to the best of my knowledge, information and belief.

  
R. Kenneth Hutchinson

Subscribed and sworn before me this 23<sup>rd</sup> day of January, 2017.



  
Notary Public